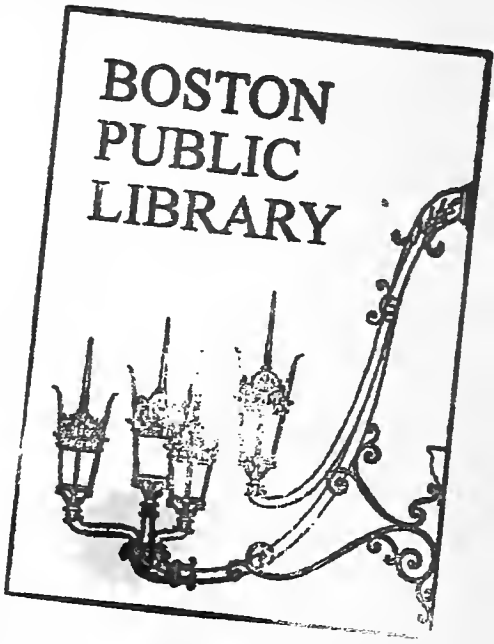

GROWTH AND GEOGRAPHICAL STRUCTURE OF REAL ESTATE, INSURANCE, and FINANCE IN THE BOSTON METROPOLITAN AREA

Economic Series --- Staff Report #5

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PREFACE

PROCEDURES AND METHODS

Using information available at the offices of the Massachusetts Division of Employment Security, data has been collected for 105 communities in the Boston metropolitan area and arranged by eight Standard Industrial Classification (SIC) categories.[1]

The data has been arranged into tables which show absolute and relative changes in firms and employment for the years 1947 and 1956. Indexes of dispersion and concentration have been constructed for the metropolitan study area[2] for the eight categories and 71 sub-categories.

A. Method for calculating the dispersion index

The formula for constructing an index of dispersion is as follows:

$$d = \frac{N\sum(X_i^2)-100^2}{N-1\ (100)^2}$$

where X_i is the percentage of total employment in the community.

An index number of 1. would indicate complete concentration in one community while an index number approaching 0 would indicate complete dispersion among all communities. Percentage shares for each community are calculated and then squared. The sum of the squares is equal to X_i^2. Dispersion index numbers are plotted on a graph along the y-axis and percentage changes in firms or employment are plotted along the x-axis. The metropolitan average percentage change and dispersion index number set the boundaries,

B. Quadrant Analysis

Using the metropolitan averages as base coordinates roman numerals correspond to four quadrants and serve as indicators of relative growth, stability, or decline. Activities whose points are located in the first quadrant are growing faster than the metropolitan average and tending to become more concentrated than firms in the metropolitan area. Those located in the second quadrant are increasing faster than the metropolitan average but are tending to disperse more. Those in the third quadrant are dispersing more than the metropolitan average but are growing less. Finally, activities located in the fourth quadrant are tending toward concentration more than the metropolitan average, but they are growing more slowly.

1. These are: a) Agriculture and Mining; b) Construction; c) Manufacturing; d) Transportation, Communications, and Utilities e) Retailing and Wholesaling; f) Real Estate, Insurance, and Finance; g) Service h) Activities not elsewhere classified.

2. Communities included are all those in Planning Region V, Massachusetts Dept. of Commerce, and Andover, Billerica, Boxford, North Andover, and Tewksbury.

C. Sector Analysis

There are nine sectors within the four quadrants:

Quadrant I	sector 1)	activities growing faster than the metropolitan average and concentrating
	2)	activities growing faster than the metropolitan average and dispersing, but less than the metropolitan average
Quadrant II	3)	activities growing faster than the metropolitan average but dispersing more
Quadrant III	4)	activities declining and dispersing more than the metropolitan average
	5)	activities growing less than the metropolitan average and dispersing more than the metropolitan average
Quadrant IV	6)	activities growing less than the metropolitan average and concentrating more
	7)	activities growing less than the metropolitan average and dispersing less
	8)	activities declining and dispersing more than the metropolitan average
	9)	activities declining, but concentrating more than the metropolitan average

REAL ESTATE, INSURANCE, AND FINANCE

II. INTRODUCTION

A careful consideration of real estate, insurance, and finance is very important to any economic base study of Boston because this category traditionally has been a strong central city function. Nearly three thousand of the five thousand firms in this category (60%) in the metropolitan area are located in Boston, and over fifty thousand of the nearly seventy thousand employment (70%) in the category is located in Boston. Relative to other activities, real estate, insurance, and finance increased its share of total employment in the city from 11.3% to 13.5% during the period 1947-1956.

In terms of all economic activities, real estate, insurance, and finance ranked fifth in number of firms and fourth in employment in 1956. This is an improvement over 1947 when it ranked fifth in each respect in the metropolitan area. Similarly, Boston firms and employment each ranked third in 1956 compared to fourth in each respect in 1947. While Boston's largest number of firms and largest employment is in retailing and wholesaling, real estate, insurance, and finance led all economic activities of a "service" or non-goods-handling nature.

Because of the nature of its function in the total economy, and of its component parts, this category holds special interest in regard to growth or decline of the central core. Broadly speaking, there was a slight tendency for the category of real estate, insurance, and finance toward dispersion. This is reflected both in dispersion of firms, and in dispersion of employment.

Before attempting an analysis of the components of this category, two levels of growth must be considered:

Total Economy

1. Boston firms declined by 6.5%
   Metropolitan area firms increased by 5.6%

   Boston employment decreased by 2.4%
   Metropolitan area employment increased by 9%

Real Estate, Insurance, and Finance

2. Boston firms decreased by 4.4%
   Metropolitan firms increased by 4.4%

   Boston employment increased by 18.8%

   Metropolitan employment increased by 21.7%

As a whole, the real estate, insurance, and finance category grew in the metropolitan area, as follows: (1947-1956)

Employment-	12,266	(21.7%)
Firms -	218	(4.4 %)

It grew in Boston, as follows:

Employment - 8,429 (18.8%)

but Firms declined - 126 (-4.4%)

Additional employment in Boston combined with a loss of firms at the same time has resulted in employment becoming slightly more concentrated in fewer firms. With Boston's share of firms decreasing from 58% to 53%, firms are growing less and dispersing more than the metropolitan average. Boston's firms declined by 4.4% during the 1947-56 period, while metropolitan area firms grew at the same rate. The dispersal index moved from .336 down to .282, indicating further dispersion. The rate of growth more or less indicates there exists a relatively smaller demand for firms.

Employment is growing faster and dispersing, but dispersing less than the metropolitan average. Boston employment increased by 19%, slightly less than the 22% metropolitan growth. The dispersion index changed from .626 to .597, reflecting Boston's decreasing share of employment, which declined from 79% to 77%. This situation indicates that there are elements of growth which the city is losing. Perhaps an additional and different kind of space demand exists which Boston hasn't been able to satisfy, either through obsolescence, high land costs, or high rentals.

III. COMPONENTS

The component parts of the real estate, insurance and finance category are as follows:

SIC Number	
60	Banking
61	Security and Commodity Brokers and Exchange
62	Collection and Credit Agencies
63	Insurance and Insurance Carriers
64	Insurance Agents
65	Real Estate Agents
66	Combinations of Real Estate-Law-Loans-Insurance
67	Holding Companies and Lessors

Activities may be grouped into two categories, those which are primarily oriented toward business and investment and those which are closely linked to consumers. In the business-investment category are the following activities: banking, security and commodity brokers, holding companies and lessors, and insurance companies and carriers. Consumer-oriented activities include credit and collection agencies, real estate agents, insurance agents, and combinations of law, loans, real estate, and insurance.

Generally, consumer-oriented activities are dispersing, presumably because they are closely linked to serving personal needs of individual consumers and are therefore attracted to the suburbs. On the other hand, business-investment activities are remaining relatively stable and appear to be continuing in the central area. In fact, these activities might be expected to increase either in number or size: achieving growth and stability most logically in the downtown area.

Although banking and insurance are strongly business-investment activities, there is considerable linkage to consumers. These two activities accounted for about 75% of new jobs in the entire real estate, insurance, and finance category since 1947. Each has a strong rate of growth and ability to expand further in the central area.

A. Banking

There are roughly three hundred banking firms in the metropolitan area, of which Boston has 83, or about 27%. The number of firms has declined by about 5% both in the city and in the metropolitan area since 1947, and the trend towards concentration is extremely slight (.002). A limitation on classification of banks lies in the source of data which places all employment under the main office bank, unless the branch has more than 50 employees. Further, there are statutory limitations on branches, on the basis of counties. For example, Boston banks may not have branches in Brookline or Cambridge, because each of the latter is in a different county. Nor may Brookline banks have branches in Newton or West Roxbury, though they have depositors in those areas.

Employment is growing faster than the metropolitan average employment and dispersing, but at a lesser rate than the metropolitan average. The dispersion index numbers for 1947 and 1956 are .389 and .378, respectively. Boston's employment share declined slightly, from 62% to 61%, although employment in the city gained by 36%. This is because metropolitan employment gained 37%, or slightly more than the city. Main employment gains were also registered in Newton, Brookline, and Cambridge.

B. Security and Commodity Brokers

Of the two hundred and two security and commodity brokers in the metropolitan area, all but six are located in Boston, or 97% of the total. Firms are declining, however, and this is demonstrated by an 11% loss of firms in the city and 9% loss in the metropolitan area, and a decrease of the city's share from 98.7% to 97%. This sub-category is obviously the most strongly oriented toward Boston in the category of real estate, insurance, and finance. Probably Boston is very likely to retain this kind of activity. Dispersion index numbers of .973 and .941 are noted for 1947 and 1956, respectively.

This business-investment category is highly critical because historically there always has been a high concentration of firms in Boston. Further research might consider what kinds and quantities of space are required by these firms, location of their customers and their operating linkages in the downtown area.

In regard to employment, it is both growing less and dispersing less than the metropolitan average, with a dispersal index of .987 in 1956 and .992 in 1947. Boston still has 99.3% of the employment in this sub-category. The fact that both Boston and the metropolitan area lost firms and gained employment in roughly the same ratio indicates the possibility of merged firms. Further evidence of this stems from an increasing average size of firm.

C. Credit and Collection Agencies

This is an activity which Boston is losing to the rest of the metropolitan area, because firms are growing faster than the metropolitan area average, but dispersing more. For example, Boston firms increased 1%, but in the metropolitan area firms grew 17%. Boston's share of these firms, moreover, declined from 72% to 63%. The dispersal index for this sub-category showed a larger change than for any other sub-category, viz. 130. Formerly the dispersal index was placed at .526, but in 1956 it stood at .396. This activity is becoming more specialized and is strongly linked to characteristics of the consumer population and its movements.

Employment is growing faster than the metropolitan average and dispersing, but less than the metropolitan dispersal average. Boston employment grew by 43%, as compared to the area's 47% rate of growth. However, its relative share declined slightly, from 84% to 83%. Furthermore, the dispersion index stood at .684 in 1956 and .723 in 1947.

There are elements of growth in this sub-category which may be associated with wider use of consumer credit, but Boston is losing slightly in regard to the rest of the area. Yet the expected increase in the use of credit by individuals and corporations gives rise to the opinion that some central city interest for credit and collection agencies will continue in Boston. Further research might probe labor force characteristics, population, income, and productivity estimates.

D. Insurance and Insurance Carriers

This is the healthiest segment of the real estate, insurance, and finance category, because both firms and employment are growing, yet the dispersion index numbers show very little change between the two years measured. Index numbers of .657 and .642 for 1947 and 1956, respectively, are noted. Boston firms increased by 4%, while metropolitan firms grew by 5%. However, since Boston still has 81% of the firms, this indicates even stronger Boston growth than the mere percentage figures show. Expanding centrally located activities, such as insurance, which can find no opportunity to expand in the central area locate in the suburbs or open branches. Although there is some tendency to follow the population, it is less than that for insurance agents. It also has the largest % of employment, 40% of the category.

Even more significant than the growth of firms is the high rate of employment growth. In the central city, employment grew by 17% (over 4,000) and in the metropolitan area by 22%. The 1956 dispersion index number for employment stood at .828, as compared to .846 in 1946. Boston's role is even more dramatic when we note that 91% of employment in this sub-category is located within Boston. Future activity by Prudential, Liberty Mutual, Traveler's, etc. would seem to indicate even greater future insurance employment. This might increase the city's share to 94% or 95%. Because of the vast importance attached to this business-investment sub-category, research into space requirements and land costs, office space, etc. seem quite essential.

Research in this and the next category might also be directed to include labor force characteristics, public transportation, and relation to other downtown development.

E. Insurance Agents

This activity is also quite important because it is closely associated with the insurance and insurance carriers category, as well as population movements. Firms are growing faster than the metropolitan average, but dispersing more. The dispersion index number for 1947 was .439, compared to .352 in 1956. Boston firms are growing about 10% less the metropolitan area firms, which are experiencing a healthy 28% growth. Furthermore, Boston's share has declined from 66% to 60%. Market characteristics have shifted and the activity has followed the population to the suburbs. Since this activity depends on personal contact between agent and client, to a degree the agents want to be where the consumers are. A lesser reason for dispersal might be the fact that originally this was a centrally located activity, but needed space for expansion could be found more cheaply outside the city. Branch agencies are developing near Route 128.

Employment is concentrating, even though it is also growing faster than the metropolitan average. Dispersion index numbers of .791 for 1947 and .695 for 1956 were recorded. Boston gained over 1000 in employment between 1947-1956, an increase of 27%, compared to metropolitan employment growth of 36%. Yet Boston's share declined slightly from 89% to 84%. Announced expension plans by such insurance firms as Prudential and Liberty Mutual, among others, indicate that induced employment in Boston may also rise among agents as well as the companies.

F. Real Estate Agents

This is one of the most important sub-categories because it includes half the firms in the entire category, and they are generally dispersing. There is also a strong link to population movements. About one half of the three thousand agents are located in Boston. Firms are growing less than the metropolitan average and dispersing more. An index number of .327 in 1956 shows the increase in dispersal over .262 in 1947. Apparently there is a smaller demand for more of such establishments in the central city; consequently, there is less growth. On the other hand, Brookline and Newton firms have grown because of brisk real estate activity. Cambridge, Lynn, and Quincy experienced a pattern similar to Boston. Boston firms decreased by 10%, but the area firms grew very slightly by .2%.

Employment is growing less than the metropolitan average and dispersing more, indicating firms and employment are moving in the same direction by about the amount. In 1947, the dispersion number was .433, but in 1956 it stood at .368. This may also reflect the relatively small employment-per firm ratio for this category. Boston's share has declined from 65% to 60% of the employment, in decreasing 9%. Metropolitan employment also decreased (very slightly) by .7%. This category is also highly dependent on population concentration. Further, areas of new home construction (eg. South Shore) and increased apartment activity (eg. Brookline and Back Bay) are showing employment increases, while older and declining areas (eg. Lynn and Cambridge) which are losing population are also losing in employment.

TABLE 7

CHANGING STRUCTURE OF FINANCE, INSURANCE AND REAL ESTATE

I. BUSINESS AND INVESTMENT ORIENTATION

GEOGRAPHICAL STRUCTURE
RANK BY RELATIVE CHANGE OF CONCENTRATION

1. Holding Companies & Lessors	+ .171
2. Security & Commodity Brokers	- .005
3. Banking	- .011
4. Insurance & Insurance Carriers	- .018

GROWTH IN EMPLOYMENT
RANK BY ABSOLUTE CHANGE, 1947-1956

1. Insurance & Insurance Carriers	4,940
2. Banking	4,489
3. Security & Commodity Brokers	64
4. Holding Companies & Lessors	-39

GROWTH IN ESTABLISHMENTS
RANK BY ABSOLUTE CHANGE, 1947-1956

1. Insurance & Insurance Carriers	11
2. Holding Companies & Lessors	-12
3. Banking	-17
4. Security & Commodity Brokers	-21

II. CONSUMER ORIENTATION

GEOGRAPHICAL STRUCTURE
RANK BY RELATIVE CHANGE OF CONCENTRATION

1. Credit & Collection Agencies	-.039
2. Comb. Law-Ins-Rl. Est- Loan	-.044
3. Real Estate Agents	-.065
4. Insurance Agents	-.096

GROWTH IN EMPLOYMENT
RANK BY ABSOLUTE CHANGE, 1947-1956

1. Insurance Agents	1,508
2. Credit & Collection Agencies	1,359
3. Comb. Law-Ins-Rl. Est.-Loan	28
4. Real Estate Agents	-83

GROWTH IN ESTABLISHMENTS
RANK BY ABSOLUTE CHANGE, 1947-1956

1. Insurance Agents	207
2. Credit & Collection Agencies	61
3. Comb. Law-Ins-Rl. Est.-Loan	13
4. Real Estate Agents	6

[illegible]

Future research might consider income levels, both present and projected, age distribution of the population, federal housing policies, etc., available land, urban renewal programs, etc. This is an area of needed research, complicated and intensified by the fact that one-half of the firms in the entire real estate, insurance and finance category is composed of real estate agents. In addition, since housing is such a basic need, research in this field should supplement that of other public and private agencies.

G. Combinations of Real Estate-Insurance-Law-Loans Holding Companies and Lessors

These two sub-categories are considered together because of their small size and the fact that they are tending to concentrate in Boston. Combination firms are growing less than the metropolitan average and concentrating more. A dispersion index number of .845 in 1957 and .905 indicates increased strong concentration. Boston firms increased by 10%, increasing the city's share from 27% to 28% of the three hundred and fifty firms. Increased specialization has tended to diminish the growth of these firms as combinations (eg. real estate and law) except in neighborhood shopping areas in Boston. There is also the strong possibility of mergers reducing the growth.

The employment of combination firms grew less and dispersed from 1964 in 1947 to 1920 in 1956. Nevertheless, this is still strongly concentrated. Employment went up 3% in Boston and 9% in the metropolitan area, while Boston's share increased from 25% to 27%.

Holding Companies and Lessors are relatively unimportant because they constitute less than 1% of firms or employment in the entire real estate, insurance, and finance category. Therefore, even though Boston has 84% of the firms, and employment decreased by 22%, the remaining employment is concentrating in relatively few firms.

IV. SUMMARY BY ACTIVITY

#60 Banking: Firms-declining, but concentrating more than the metropolitan average,

Employment-growing faster than the metropolitan average and dispersing, but less than the metropolitan average,

Size of Firm- larger than the metropolitan average and growing larger at a faster rate than the metropolitan average.

Preliminary Prognosis - category is marked by a healthy growth in employment. Fewer and larger firms are concentrating in the central area as a result of this growth and an apparent increase in mergers, amalgamations, etc. This category is likely to hold firm in the metropolitan area with excellent growth prospects of special significance for the central city. Subject to a slight degree to future automation but employment likely to continue growth.

#61 Security and Commodity Brokers: Firms-declining and dispersing more than the metropolitan average.

Employment - growing less than the metropolitan average and dispersing less.

Size of Firm - slightly larger and growing at a faster rate than the metropolitan average.

Preliminary Prognosis - category is marked by a slight decline in firms and stable employment, with a resulting concentration of employees in fewer firms. This is one of the stronger categories and is likely to remain strong in Boston, which has 99% of the employment. Firms are tending to increase in size. Increased interest in financial affairs by persons at all income levels may lead to induced expansion, especially downtown.

#62 Credit and Collection Agencies: Firms-growing faster than the metropolitan average but dispersing more.

Employment - growing faster than the metropolitan average and dispersing, but less than the metropolitan average.

Size of Firm - smaller than the metropolitan average and growing faster than the metropolitan average.

Preliminary Prognosis: category is marked by a shift from the central city to the metropolitan area in firms, because the category is becoming more specialized and is strongly linked to population movements because of the personal contact necessary with the consumer. It is unlikely the central city will regain very much of what has been lost. Wide use of consumer credit, nevertheless, may stimulate this activity to a slight extent downtown. Although firms are small, they are tending to become a little larger.

[illegible]

#63 Insurance and Insurance Carriers

Firms - growing faster than the metropolitan average and dispersing, but less than the metropolitan average.

Employment - growing faster than the metropolitan average and dispersing, but less than the metropolitan average.

Size of Firm - about eight times as large as the metropolitan average and growing faster than the metropolitan average.

Preliminary Prognosis - category is the healthiest segment of Real Estate, Insurance, & Finance for Boston because both firms and employment are growing faster and dispersing less than the metropolitan average, and the size of the average firm is much larger than the size of the metropolitan average firm. It is also growing faster than the average metropolitan firm. The high rate of employment is expected to continue in the future with additional downtown expansion by large insurance companies already located in the city.

#64 Insurance Agents

Firms - growing faster than the metropolitan average but dispersing more.

Employment - growing faster than the metropolitan average and concentrating.

Size of Firm - one half as large as the metropolitan average and growing less than the metropolitan average.

Preliminary Prognosis - category is marked by growth in both firms and employment faster than the metropolitan area, but these are tending to disperse out of the central city because of the close link to population movements. Nevertheless, the expected increase in insurance employment and activity in the central city may induce a new demand for more agents. Firms are small and are not increasing appreciably in size.

#65 Real Estate Agents

Firms - growing less than the metropolitan average and dispersing more than the metropolitan average.

Employment - growing less than the metropolitan average and dispersing more than the metropolitan average.

Size of Firm - one-third as large as the metropolitan average and declining.

Preliminary Prognosis - category is marked by the lack of growth in both firms and employment in the central city and quite small growth in the metropolitan area. Apparently areas of new home construction and active real estate transfers (eg. South Shore) do not reflect this general tendency. This is an important category even though growth is not favorable, because one-half of all real estate, insurance,& finance firms are in this category. These firms are small and are declining in size to a slight extent, as well as dispersing away from the city.

#66 Combinations of law, loans, real estate, and insurance

Firms - growing less than the metropolitan average and concentrating more.

Employment - growing less than the metropolitan average and dispersing less.

Size of Firm - one-sixth as large as the metropolitan average and declining.

#67 Holding Companies and Lessors

Firms - declining, but concentrating more than the metropolitan average.

Employment - growing faster than the metropolitan average and concentrating.

Size of Firm - one-fourth as large as the metropolitan average and growing faster than the metropolitan average.

Preliminary Prognosis - both #66 and #67 have relatively small importance in analyzing the entire real estate, finance, and insurance category because of their size. Increased specialization has tended to limit the growth of combinations, and holding companies are declining and concentrating in relatively few firms. The growth prospects for either aren't especially bright.

V. CONCLUSIONS

1. The healthiest segments of the entire real estate, insurance, and finance category from the point of view of the central city are banking and insurance, since these are growing faster than the metropolitan average and are still remaining concentrated. They will probably continue to grow because of announced expension plans by large insurance companies and bank modernization programs. It is notable that both have strong relationships not only to business-investment, but also to consumers. Presently, they have 40% of the employment in this category. Research should be directed toward office space requirements, labor force characteristics, and proposed public transportation developments, as well as consideration of their relation to downtown Boston development.

2. Another important sub-category is that of real estate agents, because they constitute one-half of total firms for the entire category, yet are dispersing. This is possibly an area for further research because of its essential relationship to housing and population, in terms of investment, income, and expenditures (both public and private).

3. It appears Boston is losing some credit and collection agencies because the sub-category is growing faster than the metropolitan average, and it is dispersing. This is probably linked to extending consumer credit and suburban population growth, as well as the personal consumer-creditor relationship necessary in this activity.

4. Boston has nearly a 100% monopoly in Security and Commodity Brokers and will probably retain its present strong position. Research might profitably be undertaken to determine space and location requirements in the downtown area, with special regard to utilization of available and proposed office space.

5. Finally, there must be careful consideration of the type of further research needed (eg., space requirements, land use, labor force characteristics) and the priority of needs. The question arises: should activities strong and entrenched in the central city be investigated further to assure future growth and stability, or should research be directed towards those activities which are weakest in the central area, or are declining in importance? Research, in either case, through studies by the city planning board staff would supplement available information and should lead to recommendations and policies which would strengthen the most appropriate economic activity in Boston.

APPENDIX

TABLE 1 COMPONENTS OF REAL ESTATE, INSURANCE, AND FINANCE CATEGORY

			1956	1947
Firms	#60	Banking	308	325
	#61	Security & Commodity Brokers	202	223
	#62	Credit & Collection Agencies	420	359
	#63	Insurance & Insurance Carriers	212	201
	#64	Insurance Agents	765	588
	#65	Real Estate Agents	2877	2871
	#66	Law-Real Estate-Loans-Ins. (any combination)	354	341
	#67	Holding Companies & Lessors	22	34
		TOTALS:	5160	4942
Employment				
	#60	Banking	16,466	11,977
	#61	Security & Commodity Brokers	3,125	3,061
	#62	Credit & Collection Agencies	4,246	2,887
	#63	Insurance & Insurance Carriers	27,067	22,127
	#64	Insurance Agents	5,723	4,215
	#65	Real Estate Agents	11,297	11,380
	#66	Law-Real Estate-Loans-Insurance (any combination)	865	837
	#67	Holding Companies & Lessors	82	121
		TOTALS:	68,871	56,605
Size of Firm (Average Employment per Firm)			1956	1947
	#60	Banking	53.46	36.85
	#61	Security & Commodity Brokers	15.47	13.73
	#62	Credit & Collection Agencies	10.11	8.04
	#63	Insurance & Insurance Carriers	127.67	110.08
	#64	Insurance Agents	7.48	7.17
	#65	Real Estate Agents	3.93	3.96
	#66	Law-Rl. Est.-Loans-Ins. (Any combo.)	2.44	2.45
	#67	Holding Companies & Lessors	3.73	3.56
		AVERAGE ENTIRE CATEGORY	13.35	11.45
		AVERAGE ALL CATEGORIES-METRO. AREA	14.77	14.31

TABLE 2 COMPONENTS OF REAL ESTATE, INSURANCE, AND FINANCE CATEGORY in BOSTON

			1956	1947
Firms	#60	Banking	83	87
	#61	Commodity & Security Brokers	196	220
	#62	Credit & Collection Agencies	263	260
	#63	Insurance & Insurance Carriers	170	163
	#64	Insurance Agents	455	390
	#65	Real Estate Agents	1,442	1,617
	#66	Law-Real Estate-Loans-Ins.	100	91
	#67	Holding Companies & Lessors	16	23
		Totals:	2,725	2,851

			1956	1947
Employment	#60	Banking	10,116	7,465
	#61	Security & Commodity Brokers	3,105	3,049
	#62	Credit & Collection Agencies	3,508	2,448
	#63	Insurance & Insurance Carriers	24,645	20,361
	#64	Insurance Agents	4,787	3,757
	#65	Real Estate Agents	6,785	7,437
	#66	Law-Real Estate-Loans-Ins.	232	213
	#67	Holding Companies & Lessors	69	88
		Totals:	53,247	44,818

TABLE 3 DISPERSION INDEXES FOR EMPLOYMENT, 1947 and 1956

1956

.987	Security and Commodity Brokers
.920	Combinations of Real Estate, Law, Loans & Ins.
.828	Insurance and Insurance Carriers
.713	Holding Companies and Lessors
.695	Insurance Agents
.684	Credit and Collection Agencies
.597	REAL ESTATE, INSURANCE, & FINANCE (Total)
.378	Banking
.368	Real Estate Agents
.207	METROPOLITAN AVERAGE EMPLOYMENT

1947

.992	Security and Commodity Brokers
.964	Combinations of Real Estate, Law, Loans & Ins.
.846	Insurance and Insurance Carriers
.791	Insurance Agents
.723	Credit and Collection Agencies
.626	REAL ESTATE, INSURANCE & FINANCE (Total)
.542	Holding Companies and Lessors
.433	Real Estate Agents
.389	Banking
.257	METROPOLITAN AVERAGE EMPLOYMENT

Changes in Dispersion, 1947 to 1956

Toward Concentration (+): .171 Holding Companies and Lessors

Toward Dispersion (-):

.005	Security and Commodity Brokers
.011	Banking
.018	Insurance and Insurance Carriers
.029	REAL ESTATE, INSURANCE & FINANCE (Total)
.039	Credit and Collection Agencies
.044	Combinations of Real Estate, Law, Loans, Ins.
.050	METROPOLITAN AVERAGE EMPLOYMENT
.065	Real Estate Agents
.096	Insurance Agents

TABLE 4 DISPERSION INDEXES FOR FIRMS, 1947 and 1956

1956

.941	Security and Commodity Brokers
.905	Combinations of Real Estate, Law, Loans & Ins.
.642	Insurance and Insurance Carriers
.540	Holding Companies and Lessors
.396	Collection and Credit Agencies
.352	Insurance Agents
.282	REAL ESTATE, INSURANCE and FINANCE (Total)
.262	Real Estate Agents
.167	METROPOLITAN AVERAGE FIRMS
.076	Banking

1947

.973	Security and Commodity Brokers
.845	Combinations of Real Estate, Law, Loans & Ins.
.657	Insurance and Insurance Carriers
.526	Collection and Credit Agencies
.469	Holding Companies and Lessors
.439	Insurance Agents
.336	REAL ESTATE, INSURANCE AND FINANCE (Total)
.327	Real Estate Agents
.212	METROPOLITAN AVERAGE FIRMS
.074	Banking

Changes in Dispersion, 1947 to 1956

Toward Concentration (+):	.071	Holding Companies and Lessors
	.060	Combinations of Real Estate, Law, Loans & Ins.
	.002	Banking
Toward Dispersion (-):	.015	Insurance and Insurance Carriers
	.032	Security and Commodity Brokers
	.045	METROPOLITAN AVERAGE FIRMS
	.054	REAL ESTATE, INSURANCE, AND FINANCE (Total)
	.065	Real Estate Agents
	.87	Insurance Agents
	.130	Collection and Credit Agencies

TABLE 5 PERCENTAGE CHANGES IN EMPLOYMENT AND FIRMS, from 1947-1956

1947 - base year

	Firms	Employment
#60 Banking	-.05	.37
#61 Security & Commodity Brokers	-.09	.02
#62 Credit & Collection Agencies	.17	.47
#63 Insurance & Insurance Carriers	.05	.22
#64 Insurance Agents	.28	.36
#65 Real Estate Agents	.002	- .007
#66 Law-Insurance-Loans & Real Estate (any combo.)	.04	.03
#67 Holding Companies & Lessors	- .35	- .32

ABSOLUTE AND PERCENTAGE CHANGE IN AVERAGE SIZE OF FIRM FROM 1947-1956

	Absolute Change	Percentage Change
#60 Banking	+ 16.61	+ 31%
#61 Security & Commodity Brokers	+ 1.74	+ 13%
#62 Credit & Collection Agencies	+ 2.07	+ 26%
#63 Insurance & Insurance Carriers	+17.59	+ 16%
#64 Insurance Agents	+ 0.31	+ 4%
#65 Real Estate Agents	- 0.03	- 1%
#66 Comb. Law-R.E.-Loan-Ins.	- 0.01	- ½ of 1%
#67 Holding Companies & Lessors	+ 0.17	+ 5%
AVERAGE ENTIRE CATEGORY	+ 1.90	+ 17%
AVERAGE ALL CATEGORIES METROPOLITAN AREA	+ 0.46	+ 3%

TABLE 6 PERCENTAGE CHANGES IN EMPLOYMENT AND FIRMS IN BOSTON, from 1947 to 1956

1947 - base year

		Firms	Employment
#60	Banking	- .05	.36
#61	Security & Commodity Brokers	- .11	.02
#62	Credit & Collection Agencies	.01	.43
#63	Insurance & Insurance Carriers	.04	.17
#64	Insurance Agents	.17	.27
#65	Real Estate Agents	- .10	- .09
#66	Law-Loans-Real Estate-Insurance	.10	.09
#67	Holding Companies & Lessors	- .33	- .22